

Service Date: July 25, 1989

DEPARTMENT OF PUBLIC SERVICE REGULATION  
BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MONTANA

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IN THE MATTER of the Application of	)	
the Regulated Members of the TELEPHONE	)	UTILITY DIVISION
EXCHANGE CARRIERS OF MONTANA (TECOM)	)	DOCKET NO. 89.3.4
for Authority to Decrease Rates for	)	ORDER NO. 5404a
Intrastate Carrier Access Service.	)	
_____	)	

FINDINGS OF FACT

1. On March 23, 1989, the Regulated Members of the Telephone Exchange Carriers of Montana (TECOM), consisting of Lincoln Telephone Company, Project Telephone Company, and Southern Montana Telephone Company, filed an application with the Commission for authority to decrease rates for intrastate carrier access services by 4.24 percent. The current total rate for carrier access is 11.09 cents per minute. The proposed total rate is 10.62 cents per minute. The proposed rate reduction would be spread to the various rate elements as follows:

Rate Element	Current TECOM Rate per access minute	Proposed TECOM rate per access minute
Carrier Common Line	\$.0433	\$.0431
End Office	\$.0315	\$.0311
Local Transport	<u>\$.0361</u>	<u>\$.0320</u>

\$.1109  
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\$.1062  
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2. The proposed rates shown above are calculated in a manner consistent with the Commission's Order No. 5336a, Docket No. 84.12.84, with two exceptions. The revised rates use updated 1987 cost studies and they include, for the first time, costs and volumes for InterBel Telephone Cooperative. InterBel is a new TECOM member and an unregulated cooperative telephone company. Previously, traffic between InterBel and Northwestern Telephone Systems was handled on a joint basis and was not part of the TECOM carrier access pool. Inclusion of InterBel in the TECOM pool means that Northwestern Telephone Systems is paying carrier access charges to TECOM for the first time.

3. The proposed decrease in intrastate carrier access rates was filed as a stipulation and signed by TECOM, U S West Communications, AT&T Communications, and Montana Consumer Counsel.

Northwestern Telephone Systems filed a letter which indicated that the Company did not object to the filing of the Stipulation with the Commission. The parties signing the stipulation agree that the revised rates represent an appropriate update to the current TECOM access rates, and consent to implementation of the rate revision without the need for a hearing or other contested case procedures.

4. On April 10, 1989, the Commission issued Interim Order No. 5404 which granted the proposed rate decrease on an interim basis.

5. On May 23, 1989, the Commission issued a Notice of Opportunity for Public Hearing. The Notice set a deadline for requesting a public hearing of June 15, 1989. The Notice indicated that if no hearing was requested by June 15, 1989, an appropriate order may be issued based upon evidence submitted with the

application. No protests or requests for hearing were received.

6. The Commission finds that the decrease filed by TECOM for Intrastate Access Services is proper and hereby GRANTS the decrease.

#### CONCLUSIONS OF LAW

1. The Applicants, Lincoln Telephone Company, Project Telephone Company, and Southern Montana Telephone Company, are corporations providing regulated telecommunications services within the State of Montana and, as such, are public utilities within the meaning of Section 69-3-101, MCA.

2. The Montana Public Service Commission is properly exercising jurisdiction in this Docket pursuant to Applicant's request. Sections 69-3-102, 69-3-302 and 69-3-904 (1) (b), MCA.

3. The rates approved herein are just, reasonable, and nondiscriminatory. Section 69-3-330, MCA.

4. The Commission has provided adequate public notice and an opportunity to be heard to all interested persons in this docket. Title 2, Chapter 4, MCA and Title 69, Chapter 3, MCA.

#### ORDER

1. The decrease in rates approved in Interim Order No. 5404 is hereby GRANTED on a final basis.

2. Docket No. 89.3.4 is hereby closed.

DONE AND DATED this 24th day of July, 1989, in open session by a 5-0 vote.



BY ORDER OF THE MONTANA PUBLIC SERVICE COMMISSION

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CLYDE JARVIS, Chairman

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HOWARD L. ELLIS, Commissioner

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WALLACE W. "WALLY" MERCER, Commissioner

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DANNY OBERG, Commissioner

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JOHN B. DRISCOLL, Commissioner

ATTEST:

Ann Purcell  
Acting Commission Secretary

(SEAL)

NOTE: Any interested party may request that the Commission reconsider this decision. A motion to reconsider must be filed within ten (10) days. See 38.2.4806, ARM.